

**Affordable Care Act:
Information Reporting by
Applicable Large Employers
on Employer-Sponsored Health
Coverage**





The information contained in this presentation is current as of March 11, 2015. For the latest information about tax provisions of the Affordable Care Act, visit IRS.gov/aca.



Agenda

- Information Reporting for Employers Overview
- Reporting Requirements
 - General Reporting Method
 - Alternate Reporting Methods
- Government Entity Designation
- Third-Party and Multi-Employer Plans
- Forms
 - 1094-C
 - 1095-C
- Summary
- Resources



Information Reporting for Employers Overview

- Final Regulations issued as Treasury Decision 9661 on March 10, 2014
- Applies to employers who are subject to the employer shared responsibility provisions of section 4980H
 - Section 4980H applies to employers that are applicable large employers (ALEs)
 - ALEs are employers with at least 50 full-time employees (employees having an average of at least 30 hours of service per week), including full-time equivalent employees



Information Reporting for Employers

Overview (*continued*)

- Although ALE status is determined by looking at all members of the ALE together, liability under section 4980H applies on an ALE member by member basis.
 - An ALE member is any person or persons that comprise the ALE
- Generally, an employer information return is required to be filed for and furnished to each full-time employee of the ALE member
- Information is used to (1) administer the employer shared responsibility provisions (4980H) and (2) to determine an employee's eligibility for the premium tax credit



Forms

- Form 1094-C, Transmittal of Employer Provided Health Insurance Offer and Coverage Information Returns
 - Transmittal of Employer Level Data
- Form 1095-C, Employer Provided Health Insurance Offer and Coverage
 - Employee Statement
- Due Dates
 - Furnished to Employee by January 31
 - Filed with the IRS by February 28 (March 31 if filed electronically)



General Reporting Method

- Full Reporting for all full-time employees
- Reporting on a month-by-month basis:
 - To whom coverage was offered (employee, spouse, and dependents)
 - Lowest cost monthly premium for self-only coverage providing minimum value
 - Indicator codes will be used to report certain other information



Alternate Reporting Methods

- Qualifying Offer Method
- 98% Offer Method



Alternate Reporting Methods – Qualifying Offers

- Employer certifies that a qualifying offer was made to one or more full-time employees
- The qualifying offer must:
 - Be an offer of minimum essential coverage providing minimum value at an employee cost for employee-only coverage not exceeding 9.5% of the mainland federal poverty level and
 - include an offer of at least minimum essential coverage to the employee's spouse and dependents, if any.



Alternate Reporting Methods – Qualifying Offers (*continued*)

- If employer can certify a qualifying offer was made to one or more employees, then for those employees for whom a qualifying offer was made for all 12 calendar months the employer may do simplified reporting
 - A Form 1094-C with employer level data
 - A Form 1095-C with an indicator code to show a qualifying offer was made
 - A copy of Form 1095-C or a statement furnished to the employee with information that the employee and his or her spouse and dependents are ineligible for a premium tax credit for the calendar year, plus contact information for the ALE member's contact.
- Full reporting is required for employees not covered by a qualifying offer for all 12 calendar months



Alternate Reporting Methods – Qualifying Offers (*continued*)

Transition Rule for 2015

- For 2015 only, full reporting will not be required for employees who do not receive a qualifying offer for all 12 calendar months if the ALE Member:
 - certifies that it made a qualifying offer to at least 95% of its full-time employees and
 - Files Form 1094-C
 - Files Form 1095-C using an indicator code to report that the employee who did not receive a qualifying offer (or received no offer) may be entitled to the premium tax credit for one or more months and the employer may provide the employee with a letter with the same information, including contact information for the ALE Member's contact person, or a copy of the Form 1095-C



Alternate Reporting Methods – 98% Offers Reporting

- ALE Members are still required to report for all full-time employees
- If the employer does not want to determine who their full-time employees are per month
 - The employer can certify that it offered coverage to at least 98 percent of the employees on whom it reports under section 6056
 - The coverage offered must be affordable minimum essential coverage providing minimum value
 - The employer is then not required to report the number of full-time employees per month.



2015 Transition Relief

- Applies to certain employers with 50-99 full-time employees, including full-time equivalent employees
 - Employers that meet the size requirement are eligible for this relief provided they satisfy certain criteria regarding maintenance of workforce size and coverage.
- Employers who satisfy the criteria will not be liable for an assessable payment in 2014
- Employers are still required to file and furnish under section 6056
 - Employers must certify on their Form 1094-C authoritative transmittal that they meet the eligibility requirements for this transition relief



Government Entity Designation

- A governmental entity can designate one or more related government entities to file on its behalf for some or all of its full-time employees
- Designated entity must be part of, or related to, the same governmental unit as the ALE member
- The designated entity will be liable for the reporting requirements for those employees and any penalties associated with information return filing or furnishing failures



Third Party and Multi-Employer Plans

- Third parties and multiemployer plans are permitted to facilitate filing and furnishing returns for ALE members
- Liability for section 6056 reporting or information reporting penalties is not transferred to the third party or the multiemployer plan
- Liability for the section 4980H provisions remains with the ALE member
- If the third party or multi-employer is a tax return preparer, the normal return preparer rules apply



What information is reported?

1094-C (Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns):


- Employer Name, Address, EIN, and contact information
- # of 1095-Cs submitted
- ALE Member Information

1095-C (Employer-Provided Health Insurance Offer and Coverage):

- Employee Name, TIN, and contact information
- Employer Name, EIN, and contact information
- Offer of coverage (by month)
- Covered Individuals



Form 1094-C (Transmittal)

Form 1094-C Department of the Treasury Internal Revenue Service	Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns ► Information about Form 1094-C and its separate instructions is at www.irs.gov/1094c .	<input type="checkbox"/> CORRECTED	120115 OMB No. 1545-2251 2014
Part I Applicable Large Employer Member (ALE Member)			
1 Name of ALE Member (Employer)		2 Employer identification number (EIN)	
3 Street address (including room or suite no.)			
4 City or town		5 State or province	6 Country and ZIP or foreign postal code
7 Name of person to contact		8 Contact telephone number	
9 Name of Designated Government Entity (only if applicable)		10 Employer identification number (EIN)	
11 Street address (including room or suite no.)			
12 City or town		13 State or province	14 Country and ZIP or foreign postal code
15 Name of person to contact		16 Contact telephone number	
For Official Use Only 			
17 Reserved <input type="checkbox"/>			
18 Total number of Forms 1095-C submitted with this transmittal ►			



Form 1094-C (Transmittal)

Form 1094-C		Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns		<input type="checkbox"/> CORRECTED	120115 OMB No. 1545-2251 2014
Department of the Treasury Internal Revenue Service					
► Information about Form 1094-C and its separate instructions is at www.irs.gov/1094c .					
Part I Applicable Large Employer Member (ALE Member)					
1 Name of ALE Member (Employer) Corporation ABC			2 Employer identification number (EIN) 123456789		
3 Street address (including room or suite no.) 123 Main Street					
4 City or town Washington		5 State or province DC		6 Country and ZIP or foreign postal code 12345	
7 Name of person to contact John Doe			8 Contact telephone number 555-555-5555		
9 Name of Designated Government Entity (only if applicable)			10 Employer identification number (EIN)		
11 Street address (including room or suite no.)					
12 City or town		13 State or province		14 Country and ZIP or foreign postal code	
15 Name of person to contact			16 Contact telephone number		
For Official Use Only 					
17 Reserved					
18 Total number of Forms 1095-C submitted with this transmittal 80					



Form 1094-C (Transmittal)

Part II ALE Member Information

19 Is this the authoritative transmittal for this ALE Member? If "Yes," check the box and continue. If "No," see instructions ☐

20 Total number of Forms 1095-C filed by and/or on behalf of ALE Member

21 Is ALE Member a member of an Aggregated ALE Group? ☐ Yes ☐ No

If "No," do not complete Part IV.

22 Certifications of Eligibility (select all that apply):

☐ A. Qualifying Offer Method ☐ B. Qualifying Offer Method Transition Relief ☐ C. Section 4980H Transition Relief ☐ D. 98% Offer Method

Under penalties of perjury, I declare that I have examined this return and accompanying documents, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature Title Date

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 61571A

Form **1094-C** (2014)



Form 1094-C (Transmittal)

Part II ALE Member Information

- 19 Is this the authoritative transmittal for this ALE Member? If "Yes," check the box and continue. If "No," see instructions ☒ Yes ☐ No
- 20 Total number of Forms 1095-C filed by and/or on behalf of ALE Member
- 21 Is ALE Member a member of an Aggregated ALE Group? ☐ Yes ☒ No

If "No," do not complete Part IV.

22 Certifications of Eligibility (select all that apply):

- ☒ A. Qualifying Offer Method ☐ B. Qualifying Offer Method Transition Relief ☒ C. Section 4980H Transition Relief ☐ D. 98% Offer Method

Under penalties of perjury, I declare that I have examined this return and accompanying documents, and to the best of my knowledge and belief, they are true, correct, and complete.

John Doe Signature **Chief Human Resources Officer** Title **1/12/16** Date

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 61571A

Form **1094-C** (2014)

Note: ALEs that qualify for 4980H transition relief are still required to file information returns with the IRS and furnish a copy to the individual.



Form 1094-C (Transmittal)

Form 1094-C (2014)

Part III ALE Member Information—Monthly

		(a) Minimum Essential Coverage Offer Indicator		(b) Full-Time Employee Count for ALE Member	(c) Total Employee Count for ALE Member	(d) Aggregated Group Indicator	(e) Section 4980H Transition Relief Indicator
		Yes	No				
23	All 12 Months	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
24	Jan	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
25	Feb	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
26	Mar	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
27	Apr	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
28	May	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
29	June	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
30	July	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
31	Aug	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
32	Sept	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
33	Oct	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
34	Nov	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
35	Dec	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	

Form 1094-C (2014)



Form 1094-C (Transmittal)

Form 1094-C (2014)

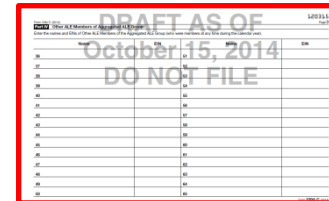
Part III ALE Member Information—Monthly

	(a) Minimum Essential Coverage Offer Indicator		(b) Full-Time Employee Count for ALE Member	(c) Total Employee Count for ALE Member	(d) Aggregated Group Indicator	(e) Section 4980H Transition Relief Indicator
	Yes	No				
23 All 12 Months	<input checked="" type="checkbox"/>	<input type="checkbox"/>		80	<input type="checkbox"/>	A
24 Jan	<input type="checkbox"/>	<input type="checkbox"/>	80		<input type="checkbox"/>	
25 Feb	<input type="checkbox"/>	<input type="checkbox"/>	80		<input type="checkbox"/>	
26 Mar	<input type="checkbox"/>	<input type="checkbox"/>	80		<input type="checkbox"/>	
27 Apr	<input type="checkbox"/>	<input type="checkbox"/>	80		<input type="checkbox"/>	
28 May	<input type="checkbox"/>	<input type="checkbox"/>	80		<input type="checkbox"/>	
29 June	<input type="checkbox"/>	<input type="checkbox"/>	80		<input type="checkbox"/>	
30 July	<input type="checkbox"/>	<input type="checkbox"/>	80		<input type="checkbox"/>	
31 Aug	<input type="checkbox"/>	<input type="checkbox"/>	80		<input type="checkbox"/>	
32 Sept	<input type="checkbox"/>	<input type="checkbox"/>	80		<input type="checkbox"/>	
33 Oct	<input type="checkbox"/>	<input type="checkbox"/>	80		<input type="checkbox"/>	
34 Nov	<input type="checkbox"/>	<input type="checkbox"/>	80		<input type="checkbox"/>	
35 Dec	<input type="checkbox"/>	<input type="checkbox"/>	80		<input type="checkbox"/>	

Form 1094-C (2014)



Form 1094-C (Transmittal)



Note: Part IV is only for a member of an aggregated ALE member group (e.g., checks “Yes” on line 21)

Form 1094-C (2014)				120315
				Page 3
Part IV Other ALE Members of Aggregated ALE Group				
Enter the names and EINs of Other ALE Members of the Aggregated ALE Group (who were members at any time during the calendar year).				
Name	EIN	Name	EIN	
36		51		
37		52		
38		53		
39		54		
40		55		
41		56		
42		57		
43		58		
44		59		
45		60		
46		61		
47		62		
48		63		
49		64		
50		65		

Form **1094-C** (2014)



Form 1095-C

Form 1095-C Department of the Treasury Internal Revenue Service		Employer-Provided Health Insurance Offer and Coverage ► Information about Form 1095-C and its separate instructions is at www.irs.gov/f1095c .				<input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED		OMB No. 1545-2251 2014	
Part I Employee						Applicable Large Employer Member (Employer)			
1 Name of employee			2 Social security number (SSN)		7 Name of employer			8 Employer identification number (EIN)	
3 Street address (including apartment no.)					9 Street address (including room or suite no.)			10 Contact telephone number	
4 City or town	5 State or province	6 Country and ZIP or foreign postal code		11 City or town	12 State or province	13 Country and ZIP or foreign postal code			



Form 1095-C

Form 1095-C Department of the Treasury Internal Revenue Service		Employer-Provided Health Insurance Offer and Coverage ► Information about Form 1095-C and its separate instructions is at www.irs.gov/f1095c .				<input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED		OMB No. 1545-2251 2014	
Part I Employee						Applicable Large Employer Member (Employer)			
1 Name of employee Jane Smith			2 Social security number (SSN) 999888777		7 Name of employer Corporation ABC			8 Employer identification number (EIN) 123456789	
3 Street address (including apartment no.) 987 Park Street						9 Street address (including room or suite no.) 123 Main Street			10 Contact telephone number 555-555-5555
4 City or town Washington		5 State or province DC		6 Country and ZIP or foreign postal code 12345		11 City or town Washington		12 State or province DC	
						13 Country and ZIP or foreign postal code 12345			



Form 1095-C

Part II Employee Offer and Coverage													
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)													
15 Employee Share of Lowest Cost Monthly Premium, for Self-Only Minimum Value Coverage	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
16 Applicable Section 4980H Safe Harbor (enter code, if applicable)													



Form 1095-C

Part II Employee Offer and Coverage													
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)	1A												
15 Employee Share of Lowest Cost Monthly Premium, for Self-Only Minimum Value Coverage	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
16 Applicable Section 4980H Safe Harbor (enter code, if applicable)													



Form 1095-C

Part III Covered Individuals															
If Employer provided self-insured coverage, check the box and enter the information for each covered individual. <input type="checkbox"/>															
(a) Name of covered individual(s)	(b) SSN	(c) DOB (if SSN is not available)	(d) Covered all 12 months	(e) Months of Coverage											
				Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
17			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 60705M Form **1095-C** (2014)



Form 1095-C

Part III Covered Individuals																
If Employer provided self-insured coverage, check the box and enter the information for each covered individual. <input type="checkbox"/>																
	(a) Name of covered individual(s)	(b) SSN	(c) DOB (if SSN is not available)	(d) Covered all 12 months	(e) Months of Coverage											
					Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
17	Jane Smith	999888777		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
18	Brian Smith	666555444		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
19				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
20				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
21				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
22				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 60705M **Form 1095-C** (2014)



IRC §6056 Summary

- Information reporting required by an ALE member on the health care coverage offered to full-time employees
- Information used to administer the employer shared responsibility provisions (4980H) and to determine employee's eligibility for the premium tax credit
- Reporting methods
- New Forms 1094-C and 1095-C



Affordable Care Act Resources

Topic	Details	Source
ACA Tax Law	IRS ACA Homepage	irs.gov/aca
	6056 Information Reporting Overview	http://www.irs.gov/Affordable-Care-Act/Employers/Information-Reporting-by-Applicable-Large-Employers
	6056 Information Reporting Q&As	http://www.irs.gov/Affordable-Care-Act/Employers/Questions-and-Answers-on-Reporting-of-Offers-of-Health-Insurance-Coverage-by-Employers-Section-6056
	Legal Guidance and Other Resources	irs.gov/Affordable-Care-Act/Affordable-Care-Act-of-2010-News-Releases-Multimedia-and-Legal-Guidance
Final Regulations	6056 Final Regulations	http://www.gpo.gov/fdsys/pkg/FR-2014-03-10/pdf/2014-05050.pdf
Forms and Instructions	Form 1094-C	http://www.irs.gov/pub/irs-pdf/f1094c.pdf
	Form 1095-C	http://www.irs.gov/pub/irs-pdf/f1095c.pdf
	Instructions 1094-C & 1095-C	www.irs.gov/pub/irs-pdf/i109495c.pdf
Other Health Care Information	HHS	HealthCare.gov
	SBA	SBA.gov/healthcare
	DOL	DOL.gov/ebsa/healthreform